

SUMMARY

Analysis Type: Buying
Property Type: Multi-Family
Address: Park view
Age of Property (Completion Year): 1985
Gross Building Area: 28,600 sq ft



PROPERTY INCOME

Property Annual Income: \$433,080
Property Square Footage: -
Property Vacancy: -
Property Additional Income: -

LOAN & DEBT ANALYSIS

Loan Amount: \$1,700,645
Down Payment: \$3,300,000
Interest Rate: 7%
Amortization Period: 30 Year
Monthly Payment: \$11,314
Annual Debt Service: \$135,773
Debt Coverage Ratio: 1.94

PROPERTY EXPENSES

Triple Net Lease (NNN)
Property Annual Expenses: \$169,546

CASH FLOW ASSUMPTIONS

Annual Income Growth Rate: 3 %
Annual Expense Growth Rate: 1 %
Cap Rate at Sale: 5.77 %
Cost of Sale: 1.5%
Number of Years: 10

PROPERTY VALUE & CAP RATE

Property Value / Sale Price: \$5,000,645
Property Cap Rate: 5.27%

10 YEAR CASH FLOW ANALYSIS

Potential Income: \$433,080
Vacancy Rate: -
Cash on Cash Return (Return on Equity): 3.87%

	Year 1	Year 2	Year 3	Year 4	Year 5	Year 6	Year 7	Year 8	Year 9	Year 10	Year 11
Effective Gross Income											
-Growing @ 3%/yr	\$433,080	\$446,072	\$459,454	\$473,238	\$487,435	\$502,058	\$517,120	\$532,634	\$548,613	\$565,071	\$582,023
-With a 0% Vacancy Rate):											
Average Rent per Square Foot:											
Less Expenses (Growing @ 1%/yr):	(\$ 169,546)	(\$ 171,241)	(\$ 172,953)	(\$ 174,683)	(\$ 176,430)	(\$ 178,194)	(\$ 179,976)	(\$ 181,776)	(\$ 183,594)	(\$ 185,430)	(\$ 187,284)
Net Operating Income (NOI):	\$ 263,534	\$ 274,831	\$ 286,501	\$ 298,555	\$ 311,005	\$ 323,864	\$ 337,144	\$ 350,858	\$ 365,019	\$ 379,641	\$ 394,739
Less Loan Payment 1st Mortgage	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)	(\$135,773)
Net Cash Flow	\$ 127,761	\$ 139,058	\$ 150,728	\$ 162,782	\$ 175,232	\$ 188,091	\$ 201,371	\$ 215,085	\$ 229,246	\$ 243,868	\$ 258,966
Cash on Cash Return (Return on Equity):	3.87%	4.21%	4.57%	4.93%	5.31%	5.70%	6.10%	6.52%	6.95%	7.39%	7.85%
Principal Reduction:	\$17,275	\$18,524	\$19,863	\$21,299	\$22,839	\$24,490	\$26,260	\$28,159	\$30,194	\$32,377	\$34,718
Cumulative Principal Reduction:	\$17,275	\$35,799	\$55,663	\$76,962	\$99,801	\$124,291	\$150,551	\$178,710	\$208,904	\$241,281	\$275,999
Cash Flow Plus Principal Reduction:	\$ 145,036	\$ 157,582	\$ 170,591	\$ 184,081	\$ 198,071	\$ 212,581	\$ 227,631	\$ 243,244	\$ 259,440	\$ 276,245	\$ 293,684
Total Return Before Taxes:	4.40%	4.78%	5.17%	5.58%	6.00%	6.44%	6.90%	7.37%	7.86%	8.37%	8.90%

IRR: 9.29%